

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SAFETY POLICY DIVISION

**Resolution SPD-6
December 1, 2022**

R E S O L U T I O N

RESOLUTION SPD-6. Resolution Adopting Safety Culture Assessment Process for Electrical Corporations Pursuant to Public Utilities Code § 8389(d)(4).

This Resolution satisfies the requirements of Public Utilities Code Sections 8389(d)(4) related to catastrophic wildfires¹ by adopting the Office of Energy Infrastructure Safety’s (Energy Safety) proposed processes for conducting Energy Safety’s annual safety culture assessment.

OUTCOME SUMMARY:

- Adopts Energy Safety’s Safety Culture Assessment Process for the 2023 WMPs.

SAFETY CONSIDERATIONS:

- Mitigation of catastrophic wildfires in California is among the most important safety challenges the Commission-regulated electrical corporations face. WMPs provide an electrical corporation’s proposed actions to help prevent catastrophic wildfires, so comprehensive WMPs are essential to safety.
- The process for conducting annual safety culture assessments should help ensure electrical corporations improve their focus on and culture of safety at all levels of their businesses.

ESTIMATED COST:

- This Resolution does not address or approve costs.
- Reasonable costs incurred to comply with WMPs are to be addressed in electrical corporation General Rate Cases or other applications. The WMPs do not approve costs for recovery in rates.

¹ All statutory references are to the Public Utilities Code unless otherwise noted.

SUMMARY

Public Utilities Code §§ 8389(d)(4), related to catastrophic wildfires, requires the following:

- (d) By December 1, 2020, and annually thereafter, the [C]ommission, after consultation with the division [Energy Safety],^[2] shall adopt and approve ... the following:
 - (4) A process for the division to conduct annual safety culture assessment for each electrical corporation.

Pursuant to § 8389(d)(4), this Resolution approves Energy Safety's Safety Culture Assessment Process which provides specific requirements for electrical corporations to participate in Energy Safety's annual safety culture assessment. The proposed Safety Culture Assessment Process maintains the existing scope with an additional requirement for all electrical corporations to provide an update on their implementation of the previous year's safety culture assessment recommendations.

Energy Safety's proposals related to § 8389(d)(4) is contained within this Resolution in the following Attachment:

- **Attachment 1: 2023 Safety Culture Assessment Process**
Energy Safety recommends adding an additional requirement for electrical corporations to provide an update on implementation of the previous year's safety culture assessment recommendations along with the existing requirements. Energy Safety will develop Safety Culture Assessment Guidelines with more granularity subsequent to the Commission's adoption of this Resolution.

DISCUSSION

1. Energy Safety's Recommendations on Safety Culture Assessment Process

The process Energy Safety proposes for 2023 is similar to the process it conducted in 2021 and 2022, with minor modifications. One modification is the addition of the requirement for all electrical corporations to provide an update on implementation of the previous year's safety culture assessment recommendations. Energy Safety will take the

² The "division" refers to the Wildfire Safety Division (WSD) which transitioned from the California Public Utilities Commission to the Office of Energy Infrastructure Safety (Energy Safety) at the California Natural Resources Agency (CNRA) on July 1, 2021.

implementation updates into account in its assessment of the electrical corporations' safety culture. Energy Safety plans to incorporate lessons learned each year to improve the safety culture assessment process for consideration by the Commission pursuant to Public Utilities Code § 8389(d)(4).

2. Discussion

The proposed safety culture assessment process provides the foundation for Energy Safety to evaluate electrical corporations' leadership influence, workforce perceptions and behaviors, and the organizational efforts in improving their sustaining systems, governance, and safety-enabling systems. Energy Safety focuses its assessment on safety performance in the context of wildfire mitigation and recognizes that Energy Safety's safety culture assessment is complementary to a broader safety culture assessment the Commission will conduct under Public Utilities Code § 8386.2.³

Energy Safety assesses electrical corporations' safety culture based on three principal inputs: (1) a workforce survey targeted at the wildfire mitigation workers, (2) a management self-assessment and summary plan for the coming year, and (3) objectives and lessons learned. The proposed Safety Culture Assessment Process requires electrical corporations to submit reports describing their assessment process, findings from the surveys mentioned above, summaries of strengths and opportunities for growth in the electrical corporations' safety culture. The report shall also include detailed recommendations that are specific, actionable, verifiable and informed by industry best practices.

The Commission review Energy Safety's proposed goals and objectives, framework and scope and process and adopts the 2023 Safety Culture Assessment Process attached hereto as Attachment 1 pursuant to § 8389(d)(4).

COMMENTS

Public. Utilities. Code § 311(g)(1) provides that resolutions must be served on all parties and subject to at least 30 days public review. However, given that this Resolution is issued outside of a formal proceeding, interested stakeholders need not have party status in a Commission proceeding in order to submit comments. Comments are due 20 days from the mailing date of this Resolution. Replies will not be accepted.

³ Pub. Util. Code § 8386.2 The Commission shall require a safety culture assessment of each electrical corporation to be conducted by an independent third-party evaluator. The Commission shall set the schedule for each assessment, including updates to the assessment at least every five years. The electrical corporation shall not seek reimbursement for the costs of the assessment from ratepayers.

This draft Resolution was served on the service list of R.18-10-007, noticed on the Commission's Daily Calendar, and will be placed on the Commission's agenda no earlier than 30 days from today.

FINDINGS

1. Public. Utilities. Code § 8389(d)(4) requires the Commission to adopt, after consultation with Energy Safety, a Safety Culture Assessment Process. This Resolution with its Attachment meets each of the foregoing requirements.
2. Energy Safety's proposed 2023 Safety Culture Assessment Process adding an additional requirement for update on implementation of safety culture assessment recommendations along with the existing requirements as set forth in Attachment 1, hereto, is reasonable.
3. Energy Safety's recommendations contained in Attachment 1 regarding the Safety Culture Assessment Process reasonably address the requirements of Public Utilities Code § 8389(d)(4).

THEREFORE, IT IS ORDERED THAT:

1. The Office of Energy Infrastructure Safety's recommendations are hereby adopted for the Safety Culture Assessment Process for 2023 Wildfire Mitigation Plans.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on December 1, 2022; the following Commissioners voting favorably thereon:

Rachel Peterson
Executive Director

Attachment 1:
Office of Energy Infrastructure Safety 2023 Safety Culture Assessment Process



OFFICE OF ENERGY INFRASTRUCTURE SAFETY'S
2023 SAFETY CULTURE ASSESSMENT PROCESS

September 2022

TABLE OF CONTENTS

- INTRODUCTION 1**
 - Overview 3
 - 1. Overall Goals and Objectives 6
 - 1.1. Statutory Mandate 6
 - 1.2. Vision for Energy Safety’s Annual Safety Culture Assessment..... 6
 - 2. Framework and Scope 9
 - 2.1. Framework..... 9
 - 2.2. Scope 12
 - 3. Safety Culture Assessment Process 14
 - 3.1. Assessment Report 14
 - 3.2. Principal Inputs 14
 - 3.3. Evaluation of Good Standing..... 19
 - 4. Next Steps 20

INTRODUCTION

Pursuant to Public Utilities Code section 8389, by December 1, 2020, and annually thereafter, the California Public Utilities Commission (the Commission or CPUC), after consultation with the Office of Energy Infrastructure Safety (Energy Safety) must adopt and approve a process for Energy Safety to conduct annual safety culture assessments for each electrical corporation.¹ This document presents an overview of how Energy Safety proposes to adjust the annual safety culture assessment process approved per Resolution M-4860 of December 2, 2021.²

After the Commission approved the safety culture assessment process in 2020, the Wildfire Safety Division (WSD) published “Safety Culture Assessment: Requirements of Electrical Corporations” in January 2021. Energy Safety published an update of the 2021 safety culture assessment requirements in March 2022.³ A new safety culture assessment requirements document, the Safety Culture Assessment Guidelines for Electrical Corporations (Guidelines), will be published subsequent to the Commission’s adoption and approval of the present process document. These Guidelines will stipulate the specific requirements of electrical corporations participating in the annual safety culture assessment, including the different requirements of large investor-owned utilities (IOUs), small and multi-jurisdictional utilities (SMJUs), and independent transmission operators (ITOs).⁴ Energy Safety plans to conduct its next safety culture assessment in the spring and summer of 2023.

Energy Safety expects its safety culture assessment process to evolve year over year, and accordingly may phase in elements of the full process described herein that were not fully implemented in the first two years, ultimately ramping up to a comprehensive steady-state process. The process Energy Safety proposes for 2023 is similar to the process it conducted in 2021 and 2022, with minor modifications. One modification is the addition of the requirement for all electrical corporations to provide an update on implementation of the previous year’s safety culture assessment recommendations. Energy Safety will take the implementation updates into account in its assessment of the electrical corporations’ safety culture. Energy

¹ For 2022, these electrical corporations are Pacific Gas and Electric Company, San Diego Gas & Electric, Southern California Edison, Liberty Utilities (CalPeco), PacifiCorp, Bear Valley Electric Service, Inc., Horizon West Transmission, and Trans Bay Cable.

² [Resolution M-4860](https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K722/428722129.PDF) (December 2, 2021) (<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M428/K722/428722129.PDF>, accessed Aug. 31, 2022); [Attachment 4: 2022 Safety Culture Assessment Process](https://energysafety.ca.gov/wp-content/uploads/attachment-4_sca-proposal-for-2022.pdf) (https://energysafety.ca.gov/wp-content/uploads/attachment-4_sca-proposal-for-2022.pdf, accessed Aug. 31, 2022).

³ [2022 Safety Culture Assessment \(SCA\) Guidelines for Electrical Corporations](https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52124&shareable=true) (March 1, 2022) (<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52124&shareable=true>, accessed Aug. 31, 2022).

⁴ In both 2021 and 2022 Energy Safety categorized the electrical corporations as follows: large IOUS—Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison; SMJUs—Liberty Utilities (CalPeco), PacifiCorp, and Bear Valley Electric Service, Inc.; ITOs—Horizon West Transmission, and Trans Bay Cable. Energy Safety plans to continue to do so in 2023.

Safety plans to incorporate lessons learned each year to improve the safety culture assessment process for consideration by the Commission pursuant to Public Utilities Code section 8389(d)(4).

Overview

This document serves as the foundation for Energy Safety's safety culture assessment process. It is organized as follows:

1. **Overall goals and objectives**
2. **Framework and scope**
3. **Process**
4. **Next steps**

Below are summaries of the content in each of these sections.

1. Overall Goals and Objectives: Safety Culture Assessment Vision

Energy Safety's vision for its safety culture assessment is rooted in the conviction that each electrical corporation's safety culture influences safety performance in the context of wildfire mitigation. Energy Safety aspires to ground its safety culture assessment in data-driven insight, including insight from data on the cultural drivers of wildfire risk, and connect the results to known outcome metrics. Energy Safety intends to focus its assessment on safety in the wildfire mitigation context, but also consider cultural elements that are relevant to broader safety outcomes. Energy Safety intends to use the assessment process to foster continuous and collaborative improvement of safety culture.

2. Framework and Scope

To achieve the vision for its safety culture assessment, Energy Safety assesses the following select elements of culture: leadership influence, workforce perceptions and behavior, and the organizational foundation that drives culture, including sustaining systems, governance, and safety-enabling systems.

Energy Safety's annual safety culture assessment is distinct from and intended to be complementary to the safety culture assessment the Commission is required to conduct under Public Utilities Code section 8386.2, an assessment that is to be updated at least every five years. The Commission's safety culture assessment process is in development under Rulemaking 21-10-001.^{5, 6} While the Commission's five-year safety culture assessment is expected to cover safety culture broadly, Energy Safety's annual safety culture assessment focuses on safety culture most relevant to wildfire risk. Energy Safety accomplishes this by identifying the **safety culture present in the wildfire mitigation work setting**, the setting most

⁵ [Public Utilities \(Pub. Util.\) Code section \(§\) 8386.2](#)

(https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=8386.2&lawCode=PUC, accessed Sept. 2, 2022).

⁶ [Order Instituting Rulemaking to Develop Safety Culture Assessments for Electric and Natural Gas Utilities](#), R. 21-10-001 (Oct. 13, 2021) (<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M414/K981/414981208.PDF>, accessed Sept. 9, 2022).

pertinent to risks faced by the wildfire mitigation workforce in terms of **personal** risk and risks faced by the public in terms of **wildfire** risk.

Energy Safety's safety culture assessment is intended to be complementary to, and not a replacement for ongoing work to improve safety culture at each electrical corporation, including any internal safety culture assessment.

While Energy Safety's assessment primarily focuses on the safety culture found in the wildfire mitigation work context, it may extend beyond that context.

3. Process

Per Public Utilities Code section 8389(d)(4), Energy Safety conducts an annual safety culture assessment process (subject to Commission approval) to assess the safety culture of each electrical corporation. The process presented herein was first developed in 2020 for the baseline assessment in 2021. It was amended in 2021 for the first assessment measuring against the baseline in 2022.

Energy Safety's assessment evaluates the relative strengths and areas where there are opportunities for growth in the electrical corporation's safety culture, and provides specific, actionable recommendations based on those findings. Energy Safety bases its assessment on three principal inputs collected from the electrical corporations (though not all inputs are collected from all electrical corporations):

1. **A workforce survey targeted at wildfire mitigation workers**, intended to assess culture across dimensions and settings particularly relevant to wildfire, including communication regarding safety between the workforce and leadership. This is required of the large IOUs and SMJUs. Follow-up interviews (focus groups) with the targeted workforce are required of the large IOUs.
2. **A management self-assessment and summary plan for the coming year**, intended to give insights into the elements of the organizational foundation⁷ that heavily influence culture, including wildfire safety-related communication across the organization, as well as each electrical corporation's targets and how they plan to reach those targets. This includes follow-up interviews for clarification purposes with the team that prepared the management self-assessment. This is required of the large IOUs.
3. **Objectives and lessons learned**. Energy Safety requires all electrical corporations to submit 12-month and 3-year safety culture objectives, any lessons learned since the

⁷ Organizational foundation includes organizational sustaining systems (processes that sustain enabling systems and assure their effectiveness, supporting safety management, leadership, and wildfire safety performance), certain governance elements (how systems or objectives relevant to wildfire safety are monitored), and certain safety-enabling systems (systems and processes that improve safety). For more information see Section 2.1 "Framework."

electrical corporation's last safety culture assessment, and an update on implementation of the previous year's safety culture assessment recommendations.

In addition to the above, Energy Safety may seek out additional details and context for the principal inputs through:

- Observational visits.
- Supporting documentation such as a list of required safety trainings, minutes from recent high-level safety meetings, a description of safety-related incentives, or other materials that might help validate the management self-assessment.

4. Next Steps

Energy Safety expects to release the 2023 draft Safety Culture Assessment Guidelines for Electrical Corporations (Guidelines) for public comment in early 2023, and the safety culture assessment will follow.

Energy Safety will incorporate lessons learned each year to continuously improve the safety culture assessment process.

1. Overall Goals and Objectives

1.1. Statutory Mandate

Public Utilities Code section 8389(d)(4) requires the Commission, in consultation with Energy Safety, to annually adopt and approve a process for Energy Safety to conduct safety culture assessments for each electrical corporation.⁸

Pursuant to Public Utilities Code section 8389 (e), for an electrical corporation to obtain a safety certification, they must be in “good standing.” An electrical corporation may satisfy this requirement by agreeing to implement the findings of its most recent safety culture assessment.

1.2. Vision for Energy Safety’s Annual Safety Culture Assessment

Energy Safety’s safety culture assessment is intended to further its overall vision:

A sustainable California, with no catastrophic utility-related wildfires, that has access to safe, affordable, and reliable electricity.^{9, 10}

An organization’s culture is central to executing any strategy and a key driver of organizational performance. An organization’s culture consists of shared values, shared assumptions, and standards governing behavior, as well as the resulting behavior. Safety culture is part of an organization’s culture.

Energy Safety views safety culture as critical for enabling the safe design and execution of electrical corporations’ Wildfire Mitigation Plans and for achieving Energy Safety’s broader vision.

Accordingly, Energy Safety conducts a robust annual safety culture assessment. Energy Safety aspires to achieve the following through its safety culture assessment:

- 1. A baseline safety culture assessment and subsequent measurement of improvement over time.** Energy Safety’s safety culture assessment provides a longitudinal measure of safety culture across electrical corporations. This enables tracking of improvement in a consistent fashion year over year, as well as the identification and sharing of best practices

⁸ [Pub. Util. Code § 8389](#)

(https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=8389.&lawCode=PUC, accessed Sept. 8, 2022).

⁹ See Appendix 2 “Utility Wildfire Mitigation Vision and Objectives” of Energy Safety’s strategic roadmap [“Reducing Utility-Related Wildfire Risk”](#) (2020) (<https://energysafety.ca.gov/who-we-are/strategic-roadmap/>, accessed September 1, 2022).

¹⁰ In this document “utility” should generally be understood to mean “electrical corporation.”

for improving safety culture based on the assessment's findings. The baseline assessment took place in 2021.

- 2. Data-driven insights and connections to known outcome metrics.** Energy Safety recognizes that risk-informed, data-supported decision making is critical to successful wildfire mitigation.¹¹ Energy Safety's safety culture assessment must also be driven by data. Energy Safety therefore bases its assessment on the qualitative and quantitative data collected during the assessment process and strives to understand how the data collected relate to outcome metrics year over year (see Section 2.2.2 "Role of Wildfire Mitigation Plan Outcome Metrics" for more details). As Energy Safety's safety culture assessment process evolves, it may refine the types of data it collects in pursuit of a better understanding of electrical corporations' safety culture.
- 3. A focus on the cultural drivers of wildfire risk.** Energy Safety accomplishes this by focusing on the safety culture present in the wildfire mitigation work setting: the setting most pertinent to risks faced by the wildfire mitigation workforce in terms of personal risk and risks faced by the public in terms of wildfire risk. Energy Safety expects its assessment to evolve to incorporate lessons learned and best practices over time.
- 4. Consideration of how safety culture in the wildfire mitigation context interacts with broader safety culture.** Energy Safety recognizes that an electrical corporation's wildfire mitigation safety culture is a subset of its overall safety culture. Energy Safety's annual safety culture assessment aims to identify the personal and wildfire¹² safety culture present at each electrical corporation. In particular, the assessment will focus on the safety culture present in the wildfire mitigation work setting: the setting most pertinent to risks faced by the wildfire mitigation workforce in terms of personal risk and risks faced by the public in terms of wildfire risk (see Section 2.2.1 "Focus on Safety Culture in the Wildfire Mitigation Context"). As the Commission develops its five-year safety culture assessment required by Public Utilities Code section 8386.2, Energy Safety and the Commission will coordinate the Commission's five-year assessment and Energy Safety's annual safety

¹¹ See Appendix 2 "Utility Wildfire Mitigation Vision and Objectives" of Energy Safety's strategic roadmap [Reducing Utility-Related Wildfire Risk](https://energysafety.ca.gov/who-we-are/strategic-roadmap/) (2020) (<https://energysafety.ca.gov/who-we-are/strategic-roadmap/>, accessed September 8, 2022).

¹² Here, "personal safety," also called occupational safety, refers to the safety of individual members of an organization, and concerns itself with incidents that happen to one person or a few people (e.g., slips, trips, and falls). This is distinct from "process safety," which refers to the safety of the actions and environment of an organization or a part of an organization in execution of the organization's mission. "Wildfire safety," a kind of process safety, here refers to safety issues pertinent to wildfire mitigation activities undertaken by the electrical corporations.

culture assessment.¹³ The Commission and Energy Safety will aim to make the two assessments complementary and mutually informative.

- 5. Continuous and collaborative improvement and learning over time.** Energy Safety recognizes that changing culture throughout a large organization requires a clear vision and focused attention over time. Energy Safety aspires to support accountability for improving safety culture and promote continuous learning across electrical corporations such that a safety culture becomes woven into the fabric of each organization.

¹³ [Order Instituting Rulemaking to Develop Safety Culture Assessments for Electric and Natural Gas Utilities](https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M414/K981/414981208.PDF), R. 21-10-001 (Oct. 13, 2021) (<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M414/K981/414981208.PDF>, accessed Sept. 9, 2022).

2. Framework and Scope

2.1. Framework

Energy Safety's safety culture assessment process is rooted in the belief that safety culture affects wildfire mitigation outcomes.

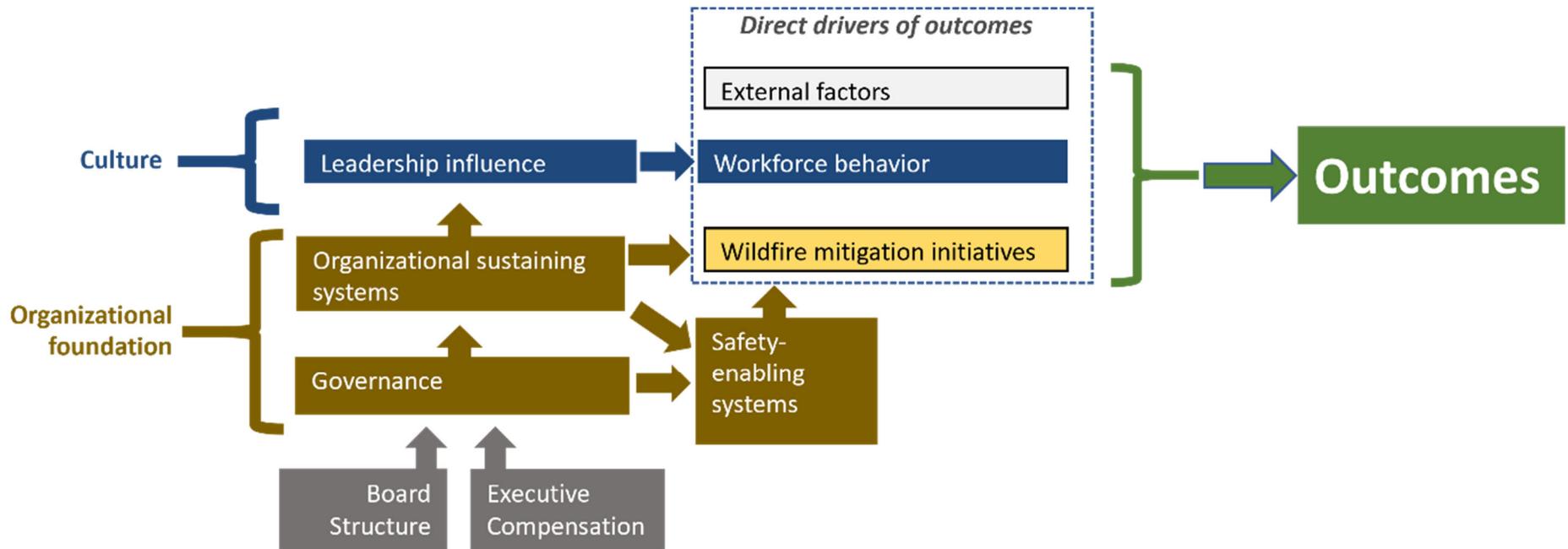
Building on that belief, Energy Safety assesses the following elements of an electrical corporation's safety culture:

1. **Culture**, which includes:
 - a. **Leadership influence**: how leadership is perceived by the workforce to prioritize safety, and the extent to which leadership encourages and demonstrates key behaviors relevant to wildfire safety. For example:
 - i. Advocating for workforce
 - ii. Prioritizing safety
 - iii. Leading by example
 - b. **Workforce behavior**: the extent to which the workforce demonstrates key behaviors relevant to wildfire safety. For example:
 - i. Raising concerns
 - ii. Performing consistently
 - iii. Taking responsibility
2. **The organizational foundation**, which includes:
 - a. **Organizational sustaining systems**: the extent to which there are well-functioning processes that sustain enabling systems and assure their effectiveness, and how well these processes support safety management, leadership, and performance. For example:
 - i. Performance management
 - ii. Workforce development
 - iii. Selection of workers (hiring and promotion)
 - iv. Rewards and recognition
 - b. **Governance**: how systems or objectives relevant to safety are monitored. For example:
 - i. Senior leadership accountability
 - ii. Metrics and targets
 - c. **Safety-enabling systems**: the types and quality of systems and processes that improve safety. For example:

- i. Anticipation, resilience, and learning
- ii. Event investigation
- iii. Quality assurance

A depiction of how these elements interact to influence outcomes is provided in Figure 1 below.

Figure 1: Framework for Energy Safety's Safety Culture Assessment



Culture is measured by the **workforce survey**, which is targeted at the workforce involved in carrying out wildfire mitigation activities.

The **organizational foundation** is measured through the **management self-assessment**, which includes a summary plan for how the electrical corporation plans to achieve its management self-assessment targets set for the end of the following year.

Additional to the management self-assessment, electrical corporations must submit 12-month and 3-year safety culture objectives, any lessons learned since the electrical corporation's last safety culture assessment, and an update on implementation of the previous year's safety culture assessment recommendations. These parts of the assessment also contribute to Energy Safety's understanding of the organizational foundation of the electrical corporation.

The governance element is directly affected by two elements that are not measured by the safety culture assessment but are covered by other Energy Safety review processes (see Section 1.1 "Statutory Mandate"):

1. Board Structure (covered by Energy Safety's Safety Certification review process)
2. Executive Compensation (covered by Energy Safety's Executive Compensation review process)

Outcomes are directly affected by the following elements, also not measured by the safety culture assessment:

1. External factors
2. Wildfire mitigation initiatives: the work being done and who is doing it (covered by Energy Safety's Wildfire Mitigation Plan and compliance review processes)

2.2. Scope

2.2.1. Focus on Safety Culture in the Wildfire Mitigation Context

As discussed in Section 3.2 "Inputs for Energy Safety's Assessment," Energy Safety recognizes that safety culture permeates an organization beyond the wildfire mitigation work setting. Energy Safety's annual safety culture assessment focuses on identifying the safety culture present in the wildfire mitigation work setting: the setting most pertinent to risks faced by the wildfire mitigation workforce in terms of personal risk and risks faced by the public in terms of wildfire risk.

For example, Energy Safety focuses its annual safety culture assessment on safety culture in the wildfire mitigation context through:

- The workforce survey (see Section 3.2.1 "Workforce Survey"), which is targeted at the workforce whose work intersects both directly and indirectly with wildfire mitigation activities as defined in each electrical corporation's Wildfire Mitigation Plan. Energy Safety works with electrical corporations to identify this target population. The survey asks the workforce's level of agreement with statements regarding wildfire safety

practices (e.g., “people look for wildfire hazards and risks as work progresses”), among other safety-related practices.

- The management self-assessment (see Section 3.2.2 “Management Self-Assessment and Summary Plan for the Coming Year”), which asks specific questions about how the corporation’s organizational sustaining systems, governance, and safety-enabling systems support wildfire safety (e.g., “how are wildfire safety responsibilities integrated into frontline supervisors’ goals and objectives?”).

Energy Safety’s assessment of safety culture is intended to be complementary to, and not a replacement for, ongoing work to improve safety culture at each electrical corporation. Each electrical corporation may additionally conduct internal safety culture assessments that measure additional elements specific to that electrical corporation.

While Energy Safety’s assessment primarily focuses on the safety culture found in the wildfire mitigation work context, it may extend beyond that context.

2.2.2. Role of Wildfire Mitigation Plan Outcome Metrics

In the future, Energy Safety’s safety culture assessment may consider outcome metrics that are influenced by safety culture in addition to the principal inputs (see Section 3.2).

In addition, Energy Safety may select a subset of relevant outcome metrics submitted as part of the Wildfire Mitigation Plan requirements to consider in the context of a safety culture assessment, such as fatalities from utility-related wildfires within an electrical corporation’s service territory. Energy Safety may modify what outcome metrics it requires electrical corporations to report in their Wildfire Mitigation Plans as it further develops its safety culture assessment process.

Energy Safety seeks to understand through its safety culture assessment process which elements of safety culture could influence outcome metrics. Energy Safety recognizes that this knowledge will be built over time as the safety culture assessment and Wildfire Mitigation Plan processes evolve, and throughout this evolution Energy Safety will strive for close coordination between its safety culture assessment and Wildfire Mitigation Plan processes such that conclusions regarding outcome metrics can inform the findings of both processes.

Energy Safety recognizes that outcome metrics are distinct from indicators of culture, and they will be assessed accordingly. Specifically, Energy Safety seeks to understand over time whether improvements in an electrical corporation’s safety culture and organizational foundation evident in the workforce survey and management self-assessment can be correlated with improvements in safety outcomes, as reflected by the data submitted annually in each electrical corporation’s Wildfire Mitigation Plan. Similarly, if safety outcomes are worsening over time, Energy Safety will seek to understand how each electrical corporation plans to address the cultural issues which may have contributed to those outcomes.

3. Safety Culture Assessment Process

3.1. Assessment Report

Energy Safety publishes an annual safety culture assessment report for each electrical corporation pursuant to Public Utilities Code section 8389(d)(4). Specifically, Energy Safety's safety culture assessment report includes the following:

1. **Executive summary:** overall assessment findings including any notable changes from the previous year's results and a brief description of recommendations.
2. **Overview:** a description of the process undertaken to produce the assessment report.
3. **Findings:** a description of the findings from the principal inputs described below (the workforce survey, management self-assessment and summary plan for the coming year, follow-up interviews for the workforce survey and management self-assessment, 12-month and 3-year safety culture objectives and any lessons learned, including a report on implementation of the previous year's recommendations) and any additional inputs if applicable (e.g., observational visits, supporting documentation). This section includes areas of relative strength and areas where there are opportunities for growth in the electrical corporation's safety culture.
4. **Recommendations:** detailed recommendations that are specific, actionable, verifiable (where possible), and informed by industry best practices around safety culture development.

3.2. Principal Inputs

Energy Safety assesses safety culture in a standardized way to generate data that can be compared year-over-year for each electrical corporation and across electrical corporations. Energy Safety's safety culture assessment relies on three principal inputs.

1. **A workforce survey targeted at wildfire mitigation workers.**
2. **A management self-assessment and summary plan for the coming year.**
3. **Objectives and lessons learned, including an update on implementation of the previous year's safety culture assessment recommendations.**

A brief overview of each is presented below.

Not all principal inputs are collected from all electrical corporations. Energy Safety may phase in select elements over subsequent years or modify the data collection process for SMJUs as well as ITOs. What is required of each electrical corporation will be described in the Guidelines (see Section 4 "Next Steps").

3.2.1. Workforce Survey

Workforce surveys are a common tool for assessing perceptions and practices related to safety culture. They have been used for this purpose at many electrical corporations, including Pacific Gas and Electric, San Diego Gas & Electric, and Southern California Edison.

Energy Safety conducts a survey to assess the perceptions and practices related to key elements of safety culture in the context of wildfire mitigation work, targeting the wildfire mitigation workforce. The workforce survey is not required of ITOs at this time.

Scope of the survey: Energy Safety targets the survey at workforce whose work intersects both directly and indirectly with wildfire mitigation activities as defined in each electrical corporation's Wildfire Mitigation Plan. In 2023, Energy Safety will hold planning sessions with each electrical corporation to identify this population (to clarify or update the work classifications to be included, following on the planning meetings held in 2021 and 2022).

Content of the survey: The survey consists of 30 statements covering three topics: the general safety culture of the corporation (10 statements), personal safety (11 statements), and wildfire safety (9 statements). Respondents assign a level of agreement from "Strongly Agree" to "Strongly Disagree" to each statement using a five-point Likert scale.¹⁴ The full text of the survey will be released separately with the Guidelines (see Section 4 "Next Steps"). In 2023, Energy Safety expects to use the same survey it used in 2021 and 2022, allowing it to compare results year over year.

Examples of survey statements from each category follow.

1. General safety culture:
 - a. Leaders encourage people to ask questions.
 - b. I believe managers apply the same rules for all workers.
 - c. The company cares about my opinions.
2. Personal safety:
 - a. I stop people, even those I do not know, to point out unsafe behavior when I see it in the work environment.
 - b. People focus on one task at a time and avoid distractions.
 - c. Pausing work for hazards and safety concerns is viewed positively.
3. Wildfire safety:
 - a. People look for wildfire hazards and risks as work progresses.
 - b. I am regularly asked for my ideas and suggestions about wildfire hazards and ways to address them.
 - c. I feel comfortable discussing wildfire hazards with my supervisor.

¹⁴ A Likert scale is a rating system commonly used in questionnaires and survey research to measure people's attitudes, perceptions, and opinions. For more information: Croasmun, J. T., and L. Ostrom. "[Using Likert-Type Scales in the Social Sciences.](https://files.eric.ed.gov/fulltext/EJ961998.pdf)" *Journal of Adult Education* 40, no. 1 (2011): 19-22 (https://files.eric.ed.gov/fulltext/EJ961998.pdf, accessed September 15, 2022).

Survey data collection: A critical element of any workforce survey is a fair and unbiased manner of administration so that the data received is, to the extent possible, a true representation of each employee’s perceptions of the work environment and not unduly influenced by the electrical corporation. To minimize biases in the data collection process, the survey is administered by a third party selected by Energy Safety.¹⁵ Administration of the survey is conducted in compliance with specific guidelines for survey administration provided by Energy Safety to ensure the data received was collected anonymously and is as accurate as possible. The survey guidelines cover the communication, administration, and collection of the survey.

Follow-up interviews (focus groups): Energy Safety conducts follow-up interviews or focus groups with the targeted workforce. At this time these are only required of the large IOUs. Energy Safety may adjust the scale and scope of these follow-up interviews or focus groups in future years as the safety culture assessment process evolves.

3.2.2. Management Self-Assessment and Summary Plan for the Coming Year

Process for completion: At present, Energy Safety requires only the large IOUs to complete a management self-assessment and summary plan for the coming year. Each indicates its present status and where it expects to be at the end of the coming year. Each electrical corporation also provides its summary plan for the coming year: for each element it submits a two to three-sentence summary of actions it plans to take to achieve its management self-assessment targets for end of the coming year.

Content: This self-assessment evaluates elements of the electrical corporation’s organizational foundation, specifically organizational sustaining systems, governance, and safety-enabling systems, further described below. Each element is intended to be under the direct influence of leadership at each electrical corporation. Note that, as discussed in Section 4 “Next Steps,” the self-assessment and summary plan template will be released as part of the Guidelines following adoption and approval by the CPUC of the safety culture assessment process. Energy Safety may modify the self-assessment and summary plan template based on findings from 2022 and recommendations from the Wildfire Safety Advisory Board.

The following descriptions are intended to provide an overview of the self-assessment with illustrative examples.

- 1. Organizational sustaining systems:** processes that sustain enabling systems and assure their effectiveness, supporting safety management, leadership, and performance. Illustrative examples include:
 - a. Performance management: the extent to which safety performance and wildfire safety responsibilities are integrated into annual performance reviews and promotion decisions.

¹⁵ In 2021, Energy Safety contracted with DEKRA Services, Inc., (DEKRA) to conduct the inaugural annual Safety Culture Assessment for each electrical corporation.

- b. Workforce development: the extent to which training and support resources are available to frontline supervisors and workers.
 - c. Selection: the extent to which a safety focus is incorporated into position descriptions and expectations for new hires.
 - d. Contractor management: the extent to which contractors are trained in identifying and addressing potential wildfire risks.
 - e. Rewards and recognition: the extent to which rewards and incentive systems support wildfire safety objectives.
2. **Governance:** formal accountability mechanisms and targets. Illustrative examples include:
- a. Senior leadership accountability: the extent to which accountability is clear for wildfire safety outcomes.
 - b. Metrics and targets: the extent to which wildfire safety measures and targets provide actionable insights and are communicated throughout the organization.
3. **Safety-enabling systems:** specific and direct mechanisms to manage and improve safety. Illustrative examples include:
- a. Incident investigation: the extent to which near misses and other weak signals are investigated, and how effectively the information from these investigations is used.
 - b. Hazard recognition: the quality of the process used by the workforce to report potential wildfire hazards.
 - c. Anticipation, resilience, and learning: systems and processes to encourage sensitivity to weak signals of wildfire risks, as well as processes and structures to create a learning organization.
 - d. Assurance: types of audits conducted, and how those findings are tracked and leveraged.

For each element, the electrical corporation rates itself according to a four-point scale, reflecting how safety is viewed by the corporation's management.¹⁶ The exact specifications of best practices are not prescribed in this evaluation scale, only general characteristics of vision and performance.

Each electrical corporation may also submit specific supporting documentation for select elements and questions, enabling Energy Safety to verify responses with minimal data requests. This documentation would be collected as part of the supporting documentation outlined in Section 3.2.4 "Observational Visits and Supporting Documentation."

¹⁶ The scale used in 2021 was, lowest maturity to highest: requirement, priority, value, who we are. This scale was revised to provide additional clarity in 2022, going from lowest maturity to highest: public compliance, private compliance, stewardship, citizenship.

Content of the summary plan for the coming year: Each electrical corporation submits a two to three-sentence summary of its planned actions to drive improvement for each element of the self-assessment in the coming year.

Follow-up interview: Energy Safety will conduct a follow-up interview for clarification purposes with the team that prepared the management self-assessment at each electrical corporation required to submit one. Energy Safety may adjust the scale and scope of these follow-up interviews in future years as the safety culture assessment process evolves.

3.2.3. Objectives and Lessons Learned

Objectives and lessons learned: Energy Safety asks all electrical corporations for 12-month and 3-year safety culture objectives and any lessons learned since the electrical corporation's last safety culture assessment. In 2023, as in 2021 and 2022, this will be the only component of the safety culture assessment that is required of all electrical corporations, including SMJUs and ITOs. For the large electrical corporations, the 12-month and 3-year objectives need to support the plan for advancement described in each corporation's responses to the management self-assessment and summary plan for the coming year.

Additionally, Energy Safety requires all electrical corporations to provide an update on implementation of the previous year's safety culture assessment recommendations.

3.2.4. Observational Visits and Supporting Documentation

Energy Safety may supplement the information collected in the inputs described above with observational visits or requests for supporting documentation. These can add nuance and depth to Energy Safety's understanding of each electrical corporation's safety culture and goals for improvement.

Observational visits: Energy Safety and its contractor(s) may conduct observational site visits. Energy Safety may adjust the scale and scope of observational visits in future years as the safety culture assessment process evolves.

Supporting Documentation: Each electrical corporation may submit and/or Energy Safety may request additional supporting documentation to verify and add context to information presented in the principal inputs of the safety culture assessment. Types of information which may be included are:

1. Evidence to support select elements of the self-assessment so that Energy Safety can verify how electrical corporations have assessed themselves.
2. A more detailed plan for advancement in reference to each element of the self-assessment.
3. Other documentation Energy Safety identifies as relevant to the assessment.

This information adds nuance to Energy Safety's safety culture assessment.

3.3. Evaluation of Good Standing

Agreement to implement the findings of the Energy Division’s safety culture assessment is one way for an electrical corporation to establish “good standing” for the purposes of attaining a Safety Certification. Per Public Utilities Code section 8389(e)(2), a Safety Certification may be issued to an electrical corporation if (among other requirements):

[T]he electrical corporation provides documentation of [...] good standing, which can be satisfied by the electrical corporation having agreed to implement the findings of its most recent safety culture assessment, if applicable.

In addition to the provisions quoted above, the Safety Certification Guidelines published August 25, 2022, include the following (p. 4, bold added):¹⁷

An electrical corporation can satisfy the “good standing” requirement by agreeing to **implement all the findings (including recommendations for improvement) of its most recent safety culture assessment** performed pursuant to Public Utilities Code sections 8389(d)(4) and 8386.2, if applicable.

In this way an electrical corporation may use the safety culture assessment to establish “good standing” for the purposes of attaining a Safety Certification.

¹⁷ [2022 Safety Certification Guidelines](#) (Aug. 25, 2022)

(<https://efiling.energysafety.ca.gov/eFiling/Getfile.aspx?fileid=52973&shareable=true>, accessed Sept. 8, 2022). Energy Safety intends to include this provision in its forthcoming draft 2023 Safety Certification Guidelines.

4. Next Steps

Consistent with the process for conducting safety culture assessments approved in Resolutions WSD-011 and M-4860, Energy Safety will release its Safety Culture Assessment Guidelines for Electrical Corporations and accept comments on these Guidelines subsequent to the Commission's adoption and approval of the present process document, and the next safety culture assessment will follow.

Energy Safety expects its safety culture assessment process to evolve year over year, and accordingly may phase in implementation of the full process described in this document, building on the elements conducted in preceding years, and ramping up to a robust steady-state process.

DATA DRIVEN FORWARD-THINKING INNOVATIVE SAFETY FOCUSED



OFFICE OF ENERGY INFRASTRUCTURE SAFETY
A California Natural Resources Agency www.energysafety.ca.gov

715 P Street, 20th Floor
Sacramento, CA 95814
916.902.6000

